

# NEWS RELEASE

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## **FOR IMMEDIATE RELEASE**

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### **GOVERNOR HASLAM, COMMISSIONER HAGERTY ANNOUNCE KNOXVILLE LOCOMOTIVE WORKS TO EXPAND OPERATIONS**

*Locomotive Manufacturer to Invest \$6.1 Million, Create 203 New Jobs in Knox County*

**NASHVILLE** – Tennessee Gov. Bill Haslam and Economic and Community Development Commissioner Bill Hagerty along with Knoxville Locomotive Works (KLW) officials announced today the company will establish an assembly and fabrication plant in Knoxville to satisfy new EPA emission requirements for trains. The announcement represents an investment of \$6.1 million and will create 203 new jobs over the next three years in Knoxville.

“I want to congratulate KLW on this expansion and thank them for the additional investment and new jobs in Knox County and Tennessee,” Haslam said. “Existing industry expansions are critical to growing our state’s economy and help reinforce our goal of making Tennessee the No. 1 location in the Southeast for high quality jobs.”

“Companies like KLW recognize the unparalleled logistical advantages, strong manufacturing base and quality workforce Tennessee offers to industries around the world,” Hagerty said. “I appreciate KLW’s continued confidence in our state’s inherent strengths and competitive edge, and thank them for further investing in Tennessee.”

To support the launch of its new value-added assembly and fabrication plant, KLW will purchase eight acres and two buildings adjacent to its 300 West Quincy Ave. shop, located north of downtown Knoxville. In addition, the company plans to renovate its current facility by extending the assembly line, and installing indoor railroad tracks and new overhead cranes to support its fabrication, heavy equipment and parts assembly process.

“KLW is making the first locomotives built in Tennessee,” KLW Chairman Pete Claussen said. “Our competitively priced engines are environmentally advanced, fuel efficient, high productivity machines that use advanced diesel engine technology. We hope and anticipate that they will become well-established in the marketplace.”

Owned and operated by Class III railroad system owner Pete Claussen, KLW is a vertically integrated manufacturing complex which overhauls and rebuilds Electro-Motive Diesel (EMD) locomotives and manufactures the KLW product line of low emission/high efficiency locomotives.

“I am very happy that KLW has decided to expand their operations in the heart of the city of Knoxville, and thankful for the high-paying jobs they will be creating,” Knoxville Mayor Madeline Rogero said. “They will be producing a product that will be beneficial to the environment, which will add to the sustainability successes of our region.”

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"The K LW expansion highlights our central location and quality workforce for technical production projects," Knox County Mayor Tim Burchett said. "I'm very grateful that their new high-technology clean diesel locomotives will be produced in Knox County."

Recent EPA mandates require all termed-out locomotives be replaced by new engines to meet updated emission standards. In response to the requirements, K LW designed and engineered a patented gear box and materials process to assemble rebuilt locomotives using new and used parts that exceed EPA standards. K LW will assemble and sell both kits and rebuilt locomotives to its domestic and international customers.

"TVA and Knoxville Utilities Board were pleased to work with the state of Tennessee, and regional and local economic development partners to assist K LW on this expansion which brings new investment and more quality jobs to the Knoxville area," TVA Senior Vice President of Economic Development John Bradley said.

"Innovation Valley was recently ranked No. 1 in green job growth in the nation by the Brookings Institution. K LW's expansion adds to that story," Doug Lawyer, vice president of Economic Development for Knoxville Chamber of Commerce, said.

K LW will begin accepting applications in January 2014. Interested applicants can send their resumes to K LW General Manager Tom German at P.O. Box 2408, Knoxville, TN 37901-2408.

#### **About the Tennessee Department of Economic and Community Development**

The Tennessee Department of Economic and Community Development's mission is to develop strategies which help make Tennessee the No. 1 location in the Southeast for high quality jobs. The department seeks to attract new corporate investment in Tennessee and works with Tennessee companies to facilitate expansion and economic growth. Find us on the web: [tn.gov/ecd](http://tn.gov/ecd). Follow us on Twitter: [@tneecd](https://twitter.com/tneecd). Like us on Facebook: [facebook.com/tneecd](https://facebook.com/tneecd).

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